

merchant's website **310** will display an Extranet icon to signify that buyers who are registered to use the Extranet can make secure purchases from that web site. This function will normally be activated after the purchaser has finished "shopping" and has placed items to be purchased into a virtual "shopping cart." When the purchaser "clicks" the Extranet icon **320**, the EXN Server **100** will be notified that a purchase is being made and the purchaser's selections will be provided to the server along with details of the purchase **330**. This clicking action constitutes the purchaser's first authorization to make the purchase. The EXN Server will then activate separate sessions with the purchaser **30** and with the merchant's site **310**, and will display the merchant's information to the purchaser to verify that the items the purchaser intends to purchase are the same as those that the merchant intends to sell. If the purchaser agrees, he or she will use the computer mouse to move e-cache from the purchaser's eWallet and place it on the eRegister icon representing the merchant, in a "drag and drop" motion **350**. This action constitutes the purchaser's second authorization to make the purchase. Upon receiving the purchaser's second authorization, the EXN Server will move e-cache from the purchaser's account and record it to the merchant's account where it will thereafter be available to the merchant to fund purchases by the merchant, or to reconvert into available funds as previously described in FIGS. **3a** and **3b**. Also, upon a purchaser's making a purchase, the EXN Server will prepare and present a bill of sale to the purchaser and merchant upon which is recorded all relevant information generated in the transaction.

[0097] Other embodiments to this invention include the EXN Server's maintaining parcel shipping and tracking information, as are depicted in FIG. **6b**. At the time a purchase is made, options for shipping the purchase can be provided and, if accepted, payment can be made to a shipper using e-cache. This transaction is identical to the described purchaser-merchant transaction. In addition, the EXN Server can maintain records of a user's purchases and shipments. Upon a purchaser's request, the EXN Server will provide a listing of purchases, and can also provide tracking information for specific purchases that have not yet been delivered.

[0098] Although a typical on-line consumer purchase transaction has been described in detail, the method of this invention is equally applicable to other on-line monetary transfers, such as those between merchants, or for on line bill paying, or for transactions between private persons.

[0099] The methods and processes described herein are illustrative of the processes of the invention, and the invention claimed herein is not limited by the processes disclosed, but only by the claims appended hereto.

I claim:

1. On a proprietary network accessible by a computer, said network being operated by a network operator and interconnecting at least one server and a plurality of terminals, said terminals being usable by members authorized to use said network, said members comprising at least one individual and one business entity, said network further being usable by one or more financial institutions that maintain demand deposit accounts for said members, a method for making secure electronic financial transactions comprising the steps of:

- (a) maintaining a virtual monetary account for a member having a demand deposit account at one of said one or more financial institutions, said virtual monetary

account being associated with said demand deposit account maintained by said member in said member's financial institution;

- (b) maintaining a pooled funds account in at least one of said one or more financial institutions, said pooled funds account being controlled by said network operator;
- (c) authenticating said member as being an authorized user of said network;
- (d) providing an electronic visual interface at said terminals, said electronic visual interface being configurable to provide said member with information specific to said member's virtual monetary account and comprising a display of icons,

some of said icons representing available functions and other of said icons representing individuals or business entities, said icons including a movable virtual token icon representing money (e-cache),

said available functions comprising the conversion of available funds from said member's demand deposit account into e-cache, the conversion of e-cache into available funds in said member's demand deposit account, and the movement of e-cache to represent monetary transfers out of said member's virtual monetary account;

said electronic interface further providing said member with means to select and move one or more of said icons upon said electronic interface to execute one or more of said available functions,

- (e) maintaining a database comprising records of transactions regarding said member's virtual monetary account;
- (f) creating a record in said database comprising the function being selected and the movement of e-cache;
- (g) and, if said selected function is a conversion of available funds in said member's demand deposit account into e-cache, instructing said member's financial institution to withdraw available funds from said member's demand deposit account and deposit said available funds into said pooled funds account, and updating said record to show said deposit of e-cache into said member's virtual account;

and, if said function is a conversion of e-cache into available funds, instructing said member's financial institution to withdraw available funds from said pooled account and deposit said available funds into said member's demand deposit account, and updating said record to showing said withdrawal of e-cache from said member's virtual account;

and if said function is a transfer of e-cache from said member's virtual account to another virtual account, updating said record to show said transfer of e-cache from said member's virtual account into said other virtual account.

2. A method of making electronic financial transactions as claimed in claim 1, further comprising the steps of:

- registering a demand deposit account holder at said one or more financial institutions as a member authorized to provide instructions using said network;
- providing said member with confidential information sufficient to identify and authenticate said member, and to authorize said member to issue instructions for managing said member's virtual account;